The Board convened in the Commissioners' Hearing Room, 6th Floor, Public Service Center, 1300 Franklin Street, Vancouver, Washington. Commissioners Stanton, Pridemore, and Morris, Chair, present.

PLEDGE OF ALLEGIANCE

The Commissioners conducted the Flag Salute.

PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

Commissioner Stanton made a request to pull items 1 and 13. She explained that item 13 (hearing minutes of January 20, 2004) had not been completed in time for approval. She also wanted some discussion on item 1 – Washougal Motocross Resolution.

There being no public comment, **MOVED** by Pridemore to approve items 2 through 12, and 14 through 17. Commissioners Morris, Stanton, and Pridemore voted aye. Motion carried. (See Tape 75)

Stanton stated that in regards to item 1, a letter had been received from James Sellers that needed to be addressed. Also, there was some question as to whether or not the board had been provided with all of the information, in particular, a letter from Keith Hirokawa. Stanton said they would need to recertify if they decide to move forward with the resolution as presented.

Lowry said there had been an effort by the parties to engage in mediation, however, that effort had fallen through. He referred to the letter submitted by Mr. Sellers, which indicated that their request for a CU was being withdrawn, that they were abandoning any permits and didn't want the board to take further action. Lowry said his recommendation would be that they conclude their proceedings by adopting the resolution.

Morris asked what then would be the force of law.

Lowry responded that the applicant contends that they have nonconforming rights to go ahead and engage in the use and they don't need the CU. The primary objection they had to the CU relates to noise limitations. Their position is that they're simply going to fall back on their nonconforming rights. Lowry said there a lot of issues, including the fact that they had a CU permit for the camping that occurs out there and that has lapsed. They may be contending that

they don't need another conditional use permit for camping. That's an issue that will have to be resolved at some time.

Morris asked if after the board concludes their business today, would the applicant have a conditional use permit whether they want one or not, and what is their legal position with respect to being able to withdraw at any point.

Lowry said he thought a party could abandon, reject, or not take advantage of a permit the county issues, if they choose to do so. There may be legal issues of having come into the process for a CU and by doing so they have abandoned their nonconforming rights.

Morris asked if they would enforce the conditional use permit.

Lowry said that after they conclude it, staff would probably want to have discussion with the board regarding this issue. He said that in all likelihood what it means is that it would convert the Washougal Motocross from a permitted facility with known conditions, to simply a nonconforming facility that the county would be dealing with in an enforcement mode if they conclude that they are exceeding the nonconforming rights, mandatory state noise regulations, etc.

Pridemore noted that he had reviewed Mr. Hirokawa's letter, but didn't see anything that would have changed the decision they had previously reached. He supported moving forward with the resolution.

Morris stated that the letter Commissioner Pridemore referenced was the one that she, too, had not received, and she apologized to Mr. Hirokawa for remarks she had made during a previous hearing. She said that although the brief was nicely written, it didn't change her mind.

Stanton indicated that she had read the letter prior to the meeting at which they considered the appeal.

There being no public comment, **MOVED** by Stanton to approve item 1. Commissioners Morris, Stanton, and Pridemore voted aye. Motion carried. (See Tape 75)

PUBLIC HEARING: COMMUNITY DEVELOPMENT FEES

Held a public hearing to consider changes to the fee schedule for work performed by the Development Services, Engineering, Building, and Fire Marshal Divisions of the Community Development Department. The proposal will include fee increases, decreases, and new fees. Additions, modifications, and deletions to the Clark County Code are proposed.

Toby LaFrance, Finance Manager, Department of Community Development, presented. He stated that this was the third iteration of the annual fee process, which was started in response to the 2000 Citigate Performance Audit. LaFrance explained that their proposal for the 2004 fees included 13 cost-of-service fees, and the remaining development service fees for planning, review, engineering, and inspection. They are recommending an across-the-board fee increase of 6%, and in building services they are recommending an across-the-board fee decrease of 5.28%. He said the impact of the combined proposals would be less than 1% on 8\(^3\)4 million of fee revenue in 2004. LaFrance further presented the staff report. He said that in regards to the cost-of-service fee recommendation, they have made available a table. He said there were six new fees, which are done for the preliminary stormwater and transportation review for subdivisions, short plats, and site plans. He said those fees were largely unchanged with the exception of short plats, for which a decrease was recommended. Pre-application conferences, however, are increasing. LaFrance stated that due to the corrected categorization of cases – where there had been some case types mixed in inappropriately – what ended up happening for 2004 was that site plan review Type I's were decreasing and Type II's were increasing. Due to the check for representative cases on the short plat preliminary review and subdivision final review, they have been able to remove cases with inadequate time coding and those fees are recommended for an increase. Lastly, LaFrance stated that the subdivision preliminary review has a minor change that is inflationary in nature. For their across-the-board development services recommendation of a 6% increase as a point of reference for their 2003 fees, the fee revenue was within .5% of the \$3.6 million in fee related expenses. LaFrance noted that 2004 is net of the cost-of-service fees he had just referenced. He said the 6% increase would be impacting 2/3 of development service fee revenue. The change would include budget changes from 2003, including adjusted indirects, new GIS charges, increased Tidemark licensing costs, and two FTE's in the development & engineering, and inspection areas. He said the 6% increase would result in additional revenue of approximately \$146,000 in 2004. LaFrance further explained the across-the-board building fee recommendation, in which there would be a 5.28% decrease. LaFrance stated that they could probably implement the fees on March 1, 2004.

Randy Printz, Attorney, 915 Broadway, Vancouver, remarked on the continuance fee that's charged by the county. He said that was being changed as part of this, but the code as it exists today states that if an applicant wishes to move a hearing date he/she will be charged 50% of the application fee, which can be anywhere from \$25,000-\$35,000. Printz said he believed the proposal was to change that amount to a flat fee of \$5,000. He said he agrees that if staff has already prepared for hearing and the applicant simply shows up and states that they're not ready, then the county should be reimbursed considerable work and expense. His issue is that when a hearing is first set – which is usually a couple of months in advance of the hearing date before a staff report has even been written – there are times when an applicant is unable to attend that particular day, yet they are still charged \$5,000 to move the hearing date. This is true even if they contact the county after a day or two, which doesn't seem to be particularly fair. He

said it would be helpful if staff could provide the applicant with some options in terms of picking a date.

Morris asked if that particular fee was before the board today.

Lowry said it was and could be found on page 2.

Morris asked for clarification about what exactly occurs after receiving the staff report a day in advance – e.g. an applicant goes before the hearings examiner and hasn't had any time to prepare for something that may have come up in the staff report and ask for a continuation. Do they still have to pay?

Printz said that was correct.

Rich Lowry, Prosecuting Attorney's Office, added that it's required that the staff report be published two weeks beforehand. Lowry explained that the hearings examiner ordinance has an exception to this fee if it's based on new information. Lowry said it seemed that if the staff report is late then that's new information and would be justification for not charging the fee.

Printz said that raised another issue, which is if either through the staff report some issue is raised that the applicant couldn't have recently anticipated, or you get to hearing and either by virtue of information that comes in at the hearing the applicant wishes to have more time to respond, they would write the check. However, if the public seeks a continuance – even though the information has been in the record for months – they can get the continuation for no charge.

Pridemore asked how frequently this occurs.

Printz said frequently.

There was further discussion.

Morris said it would be advantageous right now to adopt the fee change and then make any necessary changes.

Lowry said one possible option would be to change the language "if the continuance request comes in after the matter is noticed" to instead read "if the continuance request comes in more than 5 days after the matter has been noticed."

Printz agreed.

Pridemore asked if re-noticing the hearing was their only cost.

Lowry said yes, if it comes in very early.

Printz reiterated that it would be good if staff routinely notified the applicant in some way that a hearing is being set and confirm if the chosen date will work or not.

Matt Lewis, Building Industry Association, 5007 NE St. Johns Road, Vancouver, expressed appreciation for the help he received from Toby LaFrance. Mr. Lewis talked about the development review and building fees. He agreed with Mr. LaFrance in that the Department of Community Development had achieved some stability in their accounting and the BIA was pleased about that. He referenced the memo he submitted to the board. He said that while the 6% increase is somewhat affordable, he wasn't sure if it was sustainable in the long run. He said they don't oppose the 6% increase in development fees and he referred to a fee estimate provided to the board. As far as the building fees, Lewis said that the BIA has long had concerns about the connection between building fees and the use of those funds. He said they were pleased about the proposed decrease; however, he said there were a couple of factors that they find to be counterintuitive and leave them feeling perplexed. He said the Building Department plans to decrease fees and project a constant workload in 2004, yet they're still going to have enough revenue to hire seven new inspectors. That means that in 2003 they generated the same revenue and didn't have those additional inspectors, so the \$350,000 of staff cost was absorbed internally or went in the Community Development fund. He said the 7 new staff members to be added will bring the total to 16 new building staff members added since 2002, doubling the size of the department. In terms of future growth and the future workload, there are a number of factors that would signify some decreased growth. He further explained. Lewis said the Building Association does want adequate staffing levels in order to provide timely and safe inspections for homeowners; however, they do have concerns about staffing levels being ratcheted up at such a level now. If there's a decrease in workload in several years, it will be the builders who have to foot the cost. He said they would propose the addition of 5 FTE's right now. Later in the fall it can be reviewed when the biennial budget takes place and, if necessary, 2 FTE's can be added.

Pridemore said in terms of additional personnel, he didn't think he would support a phased implementation process. He suggested it would be good to have a phased decrease plan in place so that if activities start to drop off, they could rapidly respond as appropriate.

Stanton asked Pridemore if he was concerned about adding additional staff as needed to raise the level of service.

Pridemore said he wasn't opposed to going ahead with it for now, but to add a caveat that staff be very thoughtful regarding what to do in terms of reducing staff when activity begins to drop.

Stanton stated that they've had a work session, as well as opportunities to meet with staff, so she was prepared to make a decision.

There being no public comment, **MOVED** by Stanton to approve Ordinance 2004-02-09, with amendments to Table 6.110(a).010, Preliminary Plan Review Fees, Section 2F, to read – "For any hearing postponed or continued by a request of the applicant made more than five days after legal notice has been given," and in the Effective Date, Section 4, to read – "...effective February 25, 2004, and adopted this 10th day of February, 2004." Commissioners Morris, Stanton, and Pridemore voted aye. Motion carried. (See Tape 75)

PUBLIC HEARING: COWLITZ TRIBE AGREEMENT

Held public hearing to consider adoption of the Cowlitz Tribe Agreement.

Morris asked that anyone requesting to speak, limit their testimony to 5 minutes, if possible.

Curt Wyrick, Prosecuting Attorney's Office, provided some history regarding the agreement. He the Board of Commissioners directed legal staff to begin working with the tribe in order to negotiate a MOU that would help mitigate the impacts created by the development of the 151 acres. Wyrick said that the Cowlitz Tribe had elected to withdraw their application pending completion of the appropriate environmental level of assessment for more intensive use of the land and apparently they were now prepared to reapply for their application to have the land taken into trust. Wyrick said that as the board is aware, the county had no legal authority over the Bureau of Indian Affairs (BIA) process. The county was invited to submit comments regarding concerns, but it is the BIA that exclusively determines whether the land goes into trust or not. Also, tribes themselves are considered sovereign entities and are not subject to zoning or the county ordinances, land use permits, etc. He explained that the county's normal land use regulations, taxing authority, etc., would not apply to this parcel if it's placed into trust. Wyrick said the MOU was developed to try and meet both the tribe's and county's needs in order to mitigate impacts. He said what they have come up with is what they believe is a working agreement that helps mitigate the impacts on the area, recognizing that it was voluntary from both sides and understanding that they can't require the tribe to enter into an agreement, but only negotiate in good faith. The tribe has done that. He further stated that the board is not required to hold a public hearing on this matter; however, they elected to do so in order to receive public input. This is not an approval or permitting process and there's no statutory requirement that hearings be held to enter into contracts or agreements. There is no right to appeal because nothing is being approved.

[It was decided to forego a point-by-point review of the interlocal agreement, as it has been available for review on the county's website.]

Morris explained that what was before the board was a MOU, which has been in process for approximately two years. It has been available to the public for review at various times by means of the county's website, email to various individuals, and through mailings. Morris highlighted some of the points of the agreement.

Commissioner Morris invited representatives from the Cowlitz Tribe to speak.

John Barnett, Cowlitz Tribe Council Chairman, reconfirmed his commitment to work with the county and communities regarding whatever endeavors they decided to pursue on the land in question. Mr. Barnett stated that on many occasions he has pledged that the Cowlitz Tribe would deal fairly with Clark County when the time comes to do business, and this agreement is the fulfillment of that pledge. Barnett said that throughout the agreement they reiterate their financial commitment, including a strong commitment to education and arts activities in the county through the creation of the Education and Arts Fund, should the tribe decide to develop a casino on the site. Barnett requested that the Board of Commissioners approve the agreement.

Dennis Whittlesey, 2401 Pennsylvania Avenue, Washington D.C., Cowlitz Tribe representative, stated that they have taken the first step with the county through the MOU. He noted that county staff has been professional, courteous, and competent. He said they have met with representatives of Fire District 12 to ensure that they have a working relationship. They have met with the City of La Center's Mayor, City Attorney, and Police Chief in order to begin a dialogue. Also, Mr. Whittlesey stated that they have met with representatives from the Ridgefield School District in order to address some of their concerns. He said they intend to participate in public neighborhood association meetings in order to consult with them and hear their concerns/suggestions.

Stanton asked Mr. Barnett if Exhibit D had been approved by tribal council.

Barnett said yes.

Morris indicated that she had been present at the meeting in Ridgefield four years ago at which time Mr. Barnett had made a public commitment to work with the county. She expressed appreciation to him for honoring that commitment.

Mayor Jim Irish, City of La Center, 214 East Fourth Street, La Center, stated that he was there to convey the city's short- and long-term perspective regarding the MOU. Mayor Irish stated that he had met with Mr. Barnett and Mr. Whittlesey and they discussed the city's issues, potential conflicts, and possibilities for collaboration. He said he was optimistic that with the tribe's help they can identify potentially adverse impacts and work together to foster a working

agreement. Mayor Irish said they recognize that the Cowlitz Tribe was entitled to pursue the development of a casino, but Clark County must coordinate with and assist communities within the county to help blunt the harsh economic impacts. He said to guard against the potential economic calamity that may eventually occur, the city needs to protect its tax base and card rooms. He further explained. Mayor Irish talked about the economic goals that he wished to achieve in La Center – a grocery store and other retail services, which would create a local job base. He then talked about the City of La Center's request for an UGA expansion of the Timmons Road intersection, which had been denied. He said the county can't approve the development of a large casino, and on the other hand deny the City of La Center its first and best chance to expand and diversify its economic and commercial base. *Stanton* stated that in terms of Mayor Irish's comments regarding the comp plan and map changes, the action taken was not intended to be punitive against the City of La Center and its desire to grow. She said throughout the comp plan process they have listened carefully to owners of land who would be impacted through rezoning, and in this case the people who actually own the property on Timmons Road did not want the change to occur. That's what her

action was based on.

Susan Gilbert, [no address stated], presented an overhead. Mrs. Gilbert stated that she had some questions and concerns about the MOU. First, she was confused about how the terms "comply with," "consistent with," and "in conformity with" were being used in the MOU. She said the wording throughout the document should reflect compliance. She further explained. Gilbert then talked about the environmental effect on the surrounding terrain, especially on the east fork of the Lewis River, and that the environment is not mentioned anywhere in the agreement. She referenced the initial environmental assessment that had been filed with the BIA and pointed out some inaccuracies, e.g. the culvert that carries stormwater from the Cowlitz land directly under the I-5 Freeway is undersized, and signs of flow backing up and flooding are evident upstream. She expressed concern that there was only peripheral mention of bald eagles. Gilbert referenced the overhead aerial picture of the tribal property and again discussed the drainage around the I-5 exchange. She said that because Mr. Barnett's land is going to be developed to its greatest intensity, it's imperative that the environmental mitigation be fully addressed. Gilbert said she welcomes the Cowlitz development as long is it environmentally sensitive, its buildings have architectural integrity and abundant landscaping, and it enhances the community.

Stanton asked Wyrick to clarify the terminology in the MOU that Mrs. Gilbert had referenced.

Wyrick said the term "consistent with" was a negotiated language and was a step below the term "comply with."

Greg Gilbert, 2600 N.W. 329th Street, Ridgefield, commented on concerns regarding water. He referenced the map showing the stream that drains the Cowlitz land, and pointed out the

culvert that goes under I-5 that ends up going onto his land. He also pointed out a steep canyon. He said they farm their land and know the soil. He said there's very tough clay underneath the soil and that any water than falls upon the Cowlitz land would wind up in the stream directly into the east fork of the Lewis River. He further explained. He said that without knowing exactly what type of development is proposed for the property, it's impossible to guess how much storm runoff and how much domestic wastewater would be added to the stream year round. Mr. Gilbert read statements from the EA and pointed out that one sentence basically says that assumptions are being made that rules will be followed. He said that unless strict environmental rules are applied, damage could be severe

Morris pointed out that there are provisions in the interlocal for the Cowlitz to comply with all sewer and domestic water requirements, so there wouldn't be sewage involved in any stormwater runoff.

Cynthia Bushell, 33401 N.W. 24th Avenue, Ridgefield, expressed concerns regarding the environment. She noted that there is no mention in the MOU of inspecting stormwater control, erosion control, habitat conservation, or SEPA compliance.

Don Bohlin, 32934 S.E. 20th Street, Washougal, said that he would like to have the term "consistent with" but that if it's not, then what's the difference? He asked what the impact would be on the county, the city of La Center, the state, and taxpayers. He felt that more time was needed in order to determine the impact. Bohlin said they already have a number of casinos in the state and suggested that they need to find out what the impacts are from those casinos and evaluate those impacts when looking at the MOU.

Morris stated that the tax issue is addressed in the interlocal agreement and asked Mr. Wyrick to further explain.

Wyrick said that one of the cornerstones of the agreement was that the tribe would make payment in lieu of taxes at the same rate as any other development on the property would. So, the property tax values will be assessed and distributed to the impacted local districts – the county, the state, the school, fire districts, etc.

Morris clarified that they are being assessed and paying taxes in the same manner that a private sector development at the same location would be taxed. They aren't getting a break on the tax.

Mary Vagner, Superintendent of Schools, Ridgefield School District, 2724 South Hillhurst Road, Ridgefield, introduced Carra Sayler, Attorney, Preston Gates Ellis. Ms. Vagner stated that their interest was such that the tribal land being removed from the tax roles is maintained as far as a tax base for the Ridgefield School District, and that the value of the land is part of the annual contribution to the local levies and bond payments. Vagner referenced Provision 11.1 in

which the tribe confirms that "local districts" is inclusion of the local school district for annual payments in lieu of property tax payments for levies and bond. In Provision 12.1, the tribe speaks to an Education and Arts Fund. She said the district was requesting assurances that it will have some influence or participation in the membership of the board which would oversee that work. She stated that the District was not insisting on language in the agreement for payment of fees in lieu of impact fees because Mr. Barnett has assured them that there will be no housing on the land. However, she said they wanted a separate agreement with the tribe for payment in lieu of impact fees should plans change and housing be located on that site. Lastly, Vagner said the district was requesting that if the Cowlitz Tribe expands its land holdings within the boundaries of the Ridgefield School District that the elements in the agreement effecting schools extend to any future sites.

Fred Eckenburg, stated that he was in attendance to make comments on behalf of his grandmother, Lucy Blake, who resides at 3717 S.E. Woodburn Road, Washougal. Mr. Eckenburg read a letter he transcribed for his grandmother. In summary, Mrs. Blake is a Cowlitz Indian and has been an enrolled member since 1922, and she's waited a long time for the Cowlitz to become a recognized Indian tribe. She said the Cowlitz people have the opportunity to do something for themselves and the community, and that this agreement is important and beneficial to the county government, the citizens of Clark County, and the tribe.

Brent Grening, Executive Director, Port of Ridgefield, voiced support for the MOU. Mr. Grening said the Port feels that the MOU is representative of a new wave approaching relationships between sovereign Indian tribes and state and local governments. He said the Port believes this intergovernmental cooperative will also improve the lives of people living within the Port district. He urged the county to approve the MOU.

Larry Bartel, Chief, Fire District 12, 26506 NE 10th Avenue, expressed that Fire District 12 neither supports or opposes development in their area. He said it's their purpose to serve the type of development they see coming, both residential and commercial, without degrading the current service levels they provide to their citizens. Mr. Bartel stated that the District is satisfied that both this MOU, as well as the MOU currently being worked on between Fire District 12 and the Cowlitz Tribe, will satisfy the needs of the District and meet their existing service levels. Bartel thanked Mr. Barnett for keeping his word.

Paul Mulwitz, 32013 NE Dial Road, Camas, stated that if a large casino is built in La Center it would attract a large number of Portland residents, along with their money, and would be the closest casino of any kind to the Portland metropolitan area. He said the most important question regarding this agreement had to do with how it would impact tax collections in La Center and Clark County. He said this seemed to be a great opportunity to get a significant amount of money from Oregon residents, which would be a change from the current situation in which many Clark County residents pay Oregon impact tax with little to show for it. Mr.

Mulwitz said that such a casino should pay taxes to local and state treasuries at a similar rate to the other casinos in the area and if that's the case he would support this venture. If not, then he would oppose it.

Morris reiterated that the tribe has agreed to pay taxes on gambling revenues well beyond what any other tribe pays. She further clarified. She added that as far as property taxes, every jurisdiction that would have the ability to tax a private sector development at this location has that ability under the MOU. She said the difficulty has been that neither the City of La Center nor the La Center School District encompasses that particular part of the area, and that's why the tribe has had discussions with the Ridgefield School District rather than the La Center School District.

Wyrick said that by statute, local gambling taxes are directed for law enforcement purposes, which they satisfied through a direct service agreement that would take place between the Sheriff's Office and the Cowlitz Tribe. As far as a gambling tax, any revenues will be redirected into the Education and Arts Fund for the countywide support of local government, charitable organizations, and schools.

[12:00 p.m. – 5 Minute Break]

Philip Harju, Thurston County Deputy Prosecuting Attorney, 2115 Brown Street, Olympia, Member of the Cowlitz Tribe, stated that this wasn't an interlocal agreement. He said it is a Memorandum of Understanding between two sovereign governments. Mr. Harju urged the board to immediately adopt the MOU and avoid further delay.

Kami Biehl, 38007 NE 60th Avenue, La Center, expressed several concerns. She said she resented the fact that Cowlitz Tribe would be entitled to more rights and protection and that her town would be the most impacted by the addition of a casino. She said this issue is about plans to open a Class III gaming facility and that the card rooms in La Center, which are the primary tax revenue, are only allowed by state legislature to be Class II. This would create an unfair business advantage and needs to be addressed. Ms. Biehl stressed the importance of being able to provide input. She said she didn't think the MOU represented La Center at all and that consideration of their economic impacts needs to be as important. She said she would like to see some consideration as to what it would do to the community of La Center.

Morris responded. She said there had been a number of outreach efforts to make sure citizens were involved in this process and they have taken all responses very seriously. She said there was no intent to imply that it wasn't her right to be here and meant no insult to her or the citizens of La Center in any way.

Biehl said that other than the MOU, there has been no communication between the City of La Center and the Cowlitz Tribe in terms of any intent to do a MOU. She said people are very concerned that there is no representation of La Center.

Darlene Johnson, Representative of the Chamber of Woodland, and resident, 39016 NE Goosehill Road, stated that the Chamber of Woodland is required by their bylaws to hold at least two meetings before they can take a position. Ms. Johnson stated that they had not received notice on this matter in order for them to hold two meetings. She said the board should postpone making a decision until the Woodland Chamber could review this issue. Johnson said that if the board approves the MOU, they are telling the federal government that the people of Clark County agree to the MOU and the trust land status will probably be granted. Also, they need to carefully consider that if the land gets trust status, then any land they buy that's contiguous would be granted the same trust land status. She said the tribe should abide by all laws, including labor laws, e.g. minimum wage, workman's compensation, etc. Johnson said the economic effect on Clark County, as well as Cowlitz County, would be huge and rushing the agreement is not acceptable.

Bruce Dennis, President of the Carpenters Union, Pacific Northwest Regional Council, 12790 SE Stark, Portland, said they are in support of moving forward with the MOU and believe that development would result in a win-win situation for the tribe and community. Mr. Dennis stated that whatever development is planned will provide family wage jobs. He said there is also the potential for a domino effect, such as the development of a hotel, shopping center, etc. Dennis said it would be good to have some commitment that the wages that prevail in the community would not be undercut from the construction angle, and to have a provision to that effect. He said they would also like to see a commitment to participate with apprenticeship and training programs for this project, as well as any other projects that might occur. He referred to the issue of traffic and ensuring that traffic continues to move smoothly.

Greg Overstreet, Attorney, 111 N.E. Market Street, Suite 200, Olympia, stated he was representing the non-tribal casinos in La Center and that his clients are opposed to the MOU and feel it needs more work. He said the county is not powerless from preventing this land from going into trust. He said that when the BIA is deciding whether they will allow land into trust, they look very carefully at whether the local community has agreed to have the tribe come in. He said the MOU is absolutely necessary and vital in order for the tribe's development to go forward. Mr. Overstreet stated that the environmental assessment is deficient and that such an EA exposes the trust application to some significant legal challenges. Overstreet said his point is that under the GMA, the county must plan for things like sewer connects, traffic impacts in the GMA amendment process...it's not sufficient to outline it in a MOU. He said the county needs to amend its GMA Comprehensive Plan in order to accommodate the growth brought on by this project.

Pridemore addressed Wyrick regarding exactly what leverage the county has and said that his advice to the board has always been that they are heavily restricted in terms of their ability to stop the granting of the trust status. He asked Wyrick to summarize his legal opinion regarding that.

Wyrick said that he disagreed with Mr. Overstreet that a MOU is a cornerstone to BIA's approval process. He made reference to the Scholl Water Tribe and said that Clark County's experience is exactly opposite in that this fee-to-trust application moved forward over their objections and concerns, and without an MOU. Wyrick said that because the Cowlitz Tribe has gone through such a long process and because they have no other land in trust, his best legal advice to the board was that the land was going to be taken into trust with or without an agreement.

Overstreet said that there are new policies at the BIA and they pay more attention to local government's agreements and concerns. So, the fact that in the mid-90's the Scholl Water Tribe might have gone farther in the process without a MOU is not necessarily the case today. Overstreet said that the opinions of the local government impacted by a trust application, especially one that might involve a casino, are taken very seriously by the BIA. In terms of the environmental assessment, the draft MOU is attached, and the EA implies that they're working with the county. The fact that the tribe has attached it to the EA shows that it's an important matter.

Pridemore referenced comments made by Mrs. Johnson in regards to the tribe purchasing adjacent land and that it would automatically become trust land. He asked if that was correct.

Whittlesey replied that there's no automatic trust status to adjacent land that's bought by any tribe. He said there are provisions in the Indian Gaming Regulatory Act concerning the qualification of lands that are contiguous to reservation lands that are subsequently acquired. They will have certain status once they are taken into trust, but the trust process is still an independent process.

Johnson asked if Marysville had gone from 30 acres to 1,000 acres.

Whittlesey explained that Mrs. Johnston was referring to the Confederated Tribes of the Tulalip Indian Reservation. He said he didn't know how much of their land was within the boundaries of a designated reservation that's perhaps 130 years old. He further explained.

Pridemore asked if it was common for expansion to occur over time in terms of trust lands.

Whittlesey said no. However, newly recognized tribes will acquire land in a particular spot and then perhaps acquire other lands in a different spot. He said it's certainly not the rule.

Pridemore expressed concern regarding the ability to continually expand trust land.

Whittlesey said they have agreed to act consistent with a number of the county's titles and he believed that one of them would cover Commissioner Pridemore's concern.

Pridemore commented that one of the more significant laws not contained within the MOU was relative to zoning – a significant issue as far as how the community develops in the future. He asked what the tribe's obligation is under labor laws in terms of minimum and prevailing wages.

Whittlesey said the tribe is obligated to comply with certain federal laws, but he didn't think labor laws were among them. He said that many tribes work with contractors and developers, who insist upon the tribe following labor standards. He further explained.

Morris said they all recognize that the tribe is not required to be competitive in the same legal arena as a private sector development would be at the similar location. The board's dilemma is assessment of risk. They need to make it clear that there's a significant risk to the county, the citizens of La Center, and the Ridgefield School District. If they decide to not sign the agreement and the tribe is indeed successful in acquiring the land into trust and build a casino, what will be the loss to all of the jurisdictions?

Pridemore again stated that he has concerns, such as gambling as a viable economic activity and future land use and impacts on Clark County. However, he didn't want those concerns to be misconstrued as criticism against the tribe, and he expressed appreciation for their willingness to work with the county. He added that he respects the tribe and the way they have moved forward on this issue, but that he would continue asking questions and see what kind of resolution they can come to.

Stanton echoed Commissioner Morris' comments regarding assessment of risk – that's what this has all been about.

John Bockmier, 34819 SE Kinsey, Snoqualmie, stated that he is a community relations consultant and that for the past five years the primary scope of his work has involved tribal issues, in particular fee-to-trust transfer projects and gaming concerns. He stated that the owners of the non-tribal card rooms in La Center had retained his firm to provide information to them in terms of the Cowlitz project. Mr. Bockmier outlined what he called the current face of tribal economic development in Washington State. He said he has no disagreement with regard to the Cowlitz Tribe's right to economic development or their newly recognized federal recognition. However, they do have strong concerns about their choice of location. He said the amount of land in question continues to be billed as 151 acres, but the actual size of the parcel according to county records is 70 acres. Also, the first page of the MOU states that the tribe is

in the process of applying for their fee-to-trust transfer process; however, according to the BIA in Portland, Oregon, the tribe has yet to reapply for their trust status. Why would the county enter into an agreement with another government when they've yet to submit their application? Bockmier commented on Clark County's comprehensive growth management plan, and said the area in question is in a moratorium zone. Has the county considered this moratorium and, if so, what is the rationale behind waiving the moratorium and allowing retail development? He then referenced the EA and stated that it is essential in the evaluation process for all regulatory bodies involved in the decision-making process, yet the communities most impacted have not seen the document. He asked if the county intended to examine the EA. Finally, Bockmier asked if the county had considered the indigenous history of the Cowlitz Tribe. He urged the board to not approve the MOU today, but to study it further and accept more public testimony.

Morris responded to the issue of the moratorium and stated that the board was very aware of it. She explained that the moratorium is against further subdivision of the land, which is not an issue in front of them currently.

Pridemore added that it's a temporary issue having to do with their completion of the comprehensive plan so that development doesn't occur while the long term vision is being worked out.

Bockmier indicated that he had several meetings with the Planning Commission and had talked with Evan Dust, Department of Community Development, and that wasn't the interpretation he was given.

H.T. Higgins, 12828 East Sprague, Spokane Valley, Washington, 99216, stated that he has been through this process and knows the direct impacts that resulted from a tax standpoint and jobs. He explained that in 1998, the Kalispell Tribe began the process of putting land located in Airway Heights [into trust]. He said the situation was very similar to what is taking place here. Mr. Higgins said the "devil is in the details," and it was his hope that the board would take a little more time to look at the details. Higgins provided a handout to the board, which was a comparison of gaming tax paid by pull tab operators, bingo operators, and card rooms in the City of Spokane and unincorporated Spokane County. He further explained.

Pridemore replied that they have spent many hours on the MOU and understand it extremely well. The points raised by Mr. Higgins may be legitimate in Spokane, and may be legitimate at the junction, but if the board takes his advice and take more time on this and the tribe is granted trust status, then they have nothing left to get any kind of agreement.

Higgins said that he didn't understand why the tribe would be giving up so much.

Pridemore said they have been negotiating with the tribe for two years and have been involved even longer. He's glad they're at the table and that the county's getting something out of it.

Higgins wanted to clarify that as far as gambling competition, tribal and non-tribal gaming was different.

Morris stated that she does have some legislative background and knows the rules in that arena, but did have some questions for Mr. Higgins because of his personal experience. She asked if there were any similarities and differences between the MOU with the Cowlitz and the MOU with the Kalispell in Spokane. If so, what were they?

Higgins said he didn't have knowledge about what the differences and/or similarities were. He said the point he was trying to make is that the devil is in the details and what actually ends up transpiring later on.

Dale Smith, Councilman, City of La Center, referenced a statement made by Commissioner Pridemore regarding loss of revenue due to competition between the Class III to Class II gaming situation. Mr. Smith said they were very concerned and discussions that have taken place thus far with a suggested MOU between the City of La Center and the Cowlitz Tribe and that will be a topic of discussion. He suggested that the MOU should address the loss of revenue to the City of La Center and he asked the board to delay their approval until that issue is addressed.

Pridemore asked what would happen if the board delays approval, trust status is granted, and the tribe decides that it's no longer necessary to have an agreement with the county. What would he think of the county in terms of protecting both the City of La Center and Clark County?

Smith agreed that the board was between a rock and a hard place, but that he wouldn't be representing his constituency if he didn't state their concerns.

Stanton asked Wyrick if the City of La Center had the same kind of standing as a jurisdiction as the county does with the BIA in explaining the impact of the proposed development. Can they comment?

Wyrick said he believed the city or any citizen can comment during the fee-to-trust application process. He said Clark County is the jurisdiction in which the land is located, so they are in a slightly different position than the City of La Center, but they certainly have the right. He said the City of La Center chose not to in the first fee-to-trust application process that went through. Wyrick added that they when they were looking at impacted jurisdictions, they looked for revenue sharing agreements they had with the City of La Center in which gambling revenues

were, in fact, shared between the jurisdictions. He said that had there been something in place they would have included it in the agreement, but there has been no sharing of gambling revenues or other tax bases between the two jurisdictions in the past 15 years.

Alvin Alexanderson, 4219 NW 328th Street, Ridgefield, noted that he had submitted a seven-page letter regarding the draft MOU. Mr. Alexanderson addressed the question of land use. He stated that the BIA is required to consider the benefit to the tribe versus the harm to the community, and that this MOU was the device that would enable the tribe to have a quick and successful acquisition of the land. His opinion was that this policy issue is more important than the negotiating issue around money, whether the board is obliged or should use their powers to require enforcement in the land use laws. He said he didn't believe the board had discretion to go forward with the MOU because it would be an enablement of a violation or an annulment of those laws. He said they wouldn't have this issue had the tribe picked land that was suitable for a commercial development. He proposed that they continue the cooperation between the tribe and the county, continue negotiations, and help the tribe find suitable land.

Morris commented that the issue wasn't how the board would use their power, but whether they have the power. She added that there's no land inside of Clark County appropriately zoned for gambling except for downtown La Center, and that ramifications to the city might be quite different if a casino were built inside the city.

Alexanderson said this land was zoned agricultural because it's too small, has environmental issues, and is surrounded on three sides by residential. He said he's talking about the intensity of the development and questions regarding runoff, sewage, etc. He said all those things have to do with whether this parcel is the right one.

Pridemore agreed. He said there are places that could be rezoned that would be more compatible for this type of use. It's a significant issue in terms of the land use planning. Putting an intense urban development in an area that's not served by urban services is not compatible with where they want to go. It's a nice idea, but he didn't know if they have the ability to do that.

Jim Markham, 1660 North 18th Street, Washougal, expressed concern that the tribe isn't obligated to pay L&I, the Department of Employment Security, and B&O tax. Also, they would be required to pay federal minimum wage as opposed to state, which is quite a difference. Mr. Markham said the card rooms are allowed to have only 15 gaming tables, whereas an Indian casino can have 52-78 tables. He said they are allowed to have slot machines, but that operators such as he cannot and this makes it hard to compete because it's not a level playing field. He further explained.

[There was discussion on how to proceed in the hearing and it was decided to continue with testimony until finished, asking that people be as brief as possible. They talked about continuing the hearing to February 24, 2004, in the interest of having Curt Wyrick present during the board's deliberations.]

Ira Oshaunesy, 140 Monticello Street, Longview, Washington, complemented the board on the MOU. She stated that they haven't discussed the possibility of the tribe not getting their trust status, and that someone's going to put something there. She said she thought the tribe would be developing a golf course. Oshaunesy said this was a beautiful opportunity and urged the county to sign the MOU.

Val Alexander, 2404 N.W. Coyote Ridge Road, La Center, stated that she has been involved with the issues regarding East Fork for a long time. She said she had concerns regarding coverage from the Sheriff's Department, especially in light of the pending termination of the contract with the City of La Center Police and Clark County Sheriff's Department. She said that coverage in the northwest part of La Center would be greatly impacted. Ms. Alexander expressed concerns about the current leadership that is promoting the MOU and the parcel at the La Center junction, and she asked the board to delay their decision until they've had more opportunity to investigate past business practices.

Steve Lindstrom, 318 Old Pacific Highway, La Center, spoke to the issue of challenging environmental issues. He said he wasn't in support or opposition of the MOU, but suggested that the board take a look to make sure the dots are connected. He said there are several questions that have been raised that might cause the board set out conditions under which the MOU is executed and subsequently implemented. He referenced the environmental assessment, which is somewhat sparse, and a culvert replacement project which is underway across the state. He said there's the prospect of urban impact on agricultural areas. He suggested that an environmental impact statement be composed as part of the implementation of the MOU. He said the clock isn't ticking as far as any information that the public is aware of regarding a reapplication to the BIA, so the time hammer isn't descending as rapidly in the case of completing a MOU. Mr. Lindstrom then commented on the traffic potential as being referred to as minor in the EA and, hence, no mitigation is required. He suggested that any successful retail operation would generate thousands of trips per day on an interchange that handled 9,700 last year, so there would have to be improvements. Lindstrom then referenced the Ridgefield National Wildlife Refuge and said that the properties being considered are part of that pacific flyway – migratory bird path – and that potential impacts are not acknowledge or examined in the EA. As far as the acreage, Lindstrom asked if it is 71 or 151. How bound is it? Also, he said there has been no mention about whether the MOU would be shadowed or conditioned by any kind of state gambling compact. Also of great concern is the incremental nature of how the site will be developed.

Morris suggested that Mr. Lindstrom look in the MOU at Section 8, Traffic Mitigation, where it is very clear that there is no insubstantial conformity, but rather it's "the tribe will mitigate traffic safety and circulation issues in conformity with Clark County requirements." It goes on to say "...to the level of service any way that they are required to mitigate to. All reasonable costs and negotiated fees are to be paid by the tribe." So, in terms of that issue, all the dots are connected.

[Commissioner Pridemore had to leave for a meeting, but stated that he would obtain the videotape and watch the remainder of the hearing.]

Wyrick commented on the packet that Mr. Overstreet had referenced. He said they did submit a large packet to the county, but it was not the environmental assessment. He said they have never received a copy of the draft EA since June, so the packet submitted [this morning] by Mr. Overstreet was not what the county had received. They had received the Perkins Coie analysis, which was similar in size. Also, Wyrick stated that he doubted that an 8-9 month old draft EA would be submitted to the BIA with the application process. Until a final EA is approved, he would question some of the concerns. Lastly, he said there is a misapprehension regarding the tax requirements of the MOU. He said there are real and personal property tax in lieu of payment, but the MOU also requires a hotel/motel tax; requires the collection of sales tax, including the local sales tax; it sets aside gaming revenue in a fund for treating problem gambling; and there's one being collected based on net revenues and net wins that would go to the Cowlitz Arts and Education Fund. So, they are collecting a gaming tax as such. Finally, a compact for gaming sets aside 2% of table stakes into a local impact mitigation fund and 1% of slots into a back-up mitigation fund; 50% will go to supplement the 2% collected by the state and 50% will go to charitable activity. Wyrick said he didn't think it was accurate to say that the agreement ignores the concept of a gaming tax, it's just set out differently.

Sandra Bennett, 30306 NE 29th Avenue, La Center, stated that she is a real estate appraiser. She said her perspective was that property values of any residential within five miles of the development would be reduced. She said that impact would more than negate any kind of value that would ultimately be seen from a casino.

Morris asked Ms. Bennett if she had submitted her comments to the BIA.

Lynn Henderson, 5611 N.W. 334th Street, La Center, stated that his home is just west of the proposed development and his family would be exposed to whatever ends up being developed. Mr. Henderson said he feels the MOU has addressed many of the issues that concern him and his neighbors. He talked about the land along the I-5 corridor and that it will continue to be built up. He said he would rather see a nice casino and restaurants versus a truck stop or large big box warehouse. In addition, a casino would offer the opportunity for jobs in north Clark County. Henderson said the population is growing in Ridgefield and this is putting a great burden

on their school systems. The proposed agreement with the Cowlitz Tribe would benefit their schools far more than another type of development. He expressed support for the MOU and encouraged the board to approve it.

Bob Synoground, 15002 S.E. Sun Park Drive, Cascade Park, said there's no doubt that a casino was going to be built. Mr. Synoground stated that it's expressed several times in the MOU that the Cowlitz are a sovereign nation. He stated that many sovereign nations have made treaties, which have not been kept. He commented about how much the county has probably spent during this process. Synoground indicated that he has been a taxpayer for many years and he is a merchant, who owns a tavern that has gambling. He said he has no problem with a casino, but he does have a problem with unfair competitiveness. He said he wants equality between himself and the Cowlitz Tribe.

Morris asked if Mr. Synoground's tavern just had pull tabs.

Synoground said yes, nothing else is allowed.

Wendy McGraw, 1915 N.W. Hunter Lane, La Center, 98629, commented that what she is seeing is a reaction of fear and that she isn't sure where it's coming from. She said she doesn't have any fear if the County Commissioners and the Cowlitz Tribe are going to honor their commitments. Ms. McGraw wondered why there was such a hurry to move forward and she questioned the issues of jobs and taxes. She also expressed concern regarding the impact to La Center's schools. McGraw asked that the board postpone approval of the agreement.

Mary Morris, 318 Old Highway, La Center, stated that her husband's sole source of income is derived from his work in La Center. She expressed concerns regarding the economic impact on the hundreds of people who are employed in La Center – their jobs, businesses, and quality of life. She wondered what would happen to the people who currently live and work in La Center – would their livelihoods be guaranteed once a Class III casino enters the area. Also, the protection and preservation of La Center and the surrounding communities are their greatest and most pressing responsibility. She asked the board to be absolutely certain that all aspects of community impacts have been completely resolved before going forward with any recommendations.

Morris asked Mrs. Morris if her husband was employed by one of the existing casinos.

Mrs. Morris said yes.

Morris asked that someone from the tribe come forward and speak on some specific issues. She indicated that she had specific concerns regarding the water runoff, the size of the parcel, the ownership of the parcel, and the indigenous issue. She added that she remains mindful of all

of the impacts of the growth management decisions they are about to make on all of the school districts.

Whittlesey suggested that Mr. Barnett should address the timing of the vote, which is an issue of some concern.

Barnett read a statement. He said it is time for the tribe to move forward with the federal government to secure the approvals necessary. He said it's not required that the tribe have an agreement of this type and that they have voluntarily entered into discussions with the interest of working with the community. He said if the county defers acting on the agreement, then they would have to move forward on their own. He said time is of the essence. Mr. Barnett noted that much of the information presented was from a draft EA and that the final EA incorporates a lot of the requested changes, so it's an entirely different document. He stressed that this is very important to the tribe. Barnett added that he is a man of integrity he prefers to take the high road. He asked that the board think about where the tribe is really coming from.

Morris reaffirmed to Mr. Barnett that he is, in fact, a man of great integrity.

Whittlesey introduced Steve Horenstein, Attorney, to comment on the environmental assessment, including the Commissioner Morris' concern regarding stormwater.

Steve Horenstein, Miller Nash, 500 Washington Street, Suite 400, Vancouver, said that he and his team are redrafting the EA. He said the EA that people have been commenting on at this hearing is no longer effective and that they are doing a major re-write. Mr. Horenstein said they will comply with the county's stormwater ordinance, as well as all of the other county ordinances, which will be referred to in the various environmental sections of the agreement. He referenced comments regarding GMA and jobs that will be created.

Stanton asked if the land sits inside the part that the county has designated for industrial reserve.

Horenstein didn't believe so.

[There was further discussion regarding the designation and it was requested that staff obtain a map.]

Barnett stated that the tribe is willing to sit down with anybody who wishes and discuss potential problems and ways to resolve them.

Whittlesey said that Mr. Bockmier has assigned the options to the tribe. He explained that options are sufficient land ownership for the purposes of fee-to-trust application. Before the

land can be taken into trust, they will have to tender a fee simple deed to the United States, but for the purposes of land ownership for the trust application the tribe has already demonstrated to the BIA sufficient land ownership under the regulations. Regarding the historic presence in the area, Barnett introduced Dr. Steven Dow Beckham of Lewis and Clark College to make a few comments.

Steven Dow Beckham, Lewis and Clark College, 0615 Southwest Palatine Hill Road, Lewis & Clark College, Portland, Oregon, stated that in 1978 he was an expert witness in federal court for the both the Cowlitz and Chinook Tribes. He said the issue in that litigation was the identity and location of aboriginal peoples. He further explained. He said that Dr. Vern F. Rey was the Cowlitz expert witness in their Indian claims commission litigation. Dr. Rey had concluded that the exclusive use and occupancy of Clark County, Washington – in particular, the Lewis River watershed – was the Cowlitz Tribe. He further explained.

Whittlesey reiterated that time is important and he was aware that Mr. Wyrick would be gone the following week, but he asked if the board would consider continuing the matter to the next Tuesday in order to make a decision.

Morris said this is a substantive issue for the county and Commissioner Pridemore would want to be present for the vote, and that Mr. Wyrick has been indispensable during this process. She asked Commissioner Stanton what her thoughts were on the timing issue.

Stanton said that later in the week was fine for her.

Discussion continued about how to proceed.

Morris addressed Oliver Orjiako, Department of Community Development, regarding the designation of the land. According to the map, Mr. Orjiako said that it was designated AG-20 with an [industrial] overlay. Morris said that's what they thought. So, according the map the intent is that it will at some point in time develop with an industrial overlay to it. Right now, it's zoned for agriculture, but the intent was that it would convert to an employment use of some nature.

Stanton suggested that they have Mr. Wyrick brief Rich Lowry, Prosecuting Attorney's Office, so they could continue to the next Tuesday.

Morris closed public comment.

MOVED by Stanton to close public testimony and continue the hearing to February 17, 2004, at 10:00 a.m. Commissioners Morris and Stanton voted aye. Motion carried. (See Tape 78)

2 p.m. Bid Opening

Present at the Bid Opening: Louise Richards, Clerk of the Board; and Allyson Anderson, General Services

BID OPENING 2356

Held a public hearing for Bid Opening 2356 – Membrane Covered Frame Structure for Rock Storage. Allyson Anderson, General Services, opened and read bids and stated that it was their intention to award Bid 2356 on February 17, 2004, at 10:00 a.m., in the Commissioners' hearing room of the Clark County Public Service Center, 6th Floor. (See Tape 78)

BOARD OF COUNTY COMMISSIONERS

Betty Sue Morris, Chair

rt

Judie Stanton/s/ Judie Stanton, Commissioner
Craig A. Pridemore/s/ Craig A. Pridemore, Commissioner
ATTEST:
Louise Richards/s/ Clerk of the Board